

VZCZCXYZ0003
RR RUEHWEB

DE RUEHIN #0353 0740724
ZNR UUUUU ZZH
R 140724Z MAR 08
FM AIT TAIPEI
TO RUEHC/SECSTATE WASHDC 8358
INFO RUEHBJ/AMEMBASSY BEIJING 7938
RUEHHK/AMCONSUL HONG KONG 9193

UNCLAS AIT TAIPEI 000353

SIPDIS

SIPDIS

DEPARTMENT FOR INR/R/MR, EAP/TC, EAP/PA, EAP/PD - NIDA EMMONS
DEPARTMENT PASS AIT/WASHINGTON

E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [KPAO](#) [TW](#)
SUBJECT: MEDIA REACTION: U.S.-CHINA-TAIWAN RELATIONS

Summary: Taiwan's major Chinese-language dailies focused news coverage March 14 on the KMT's apology for its party legislators' intrusion at DPP presidential candidate Frank Hsieh's campaign headquarters; on the presidential election campaigns; on Chinese Taipei baseball team's expected face-off with South Korea on March 14; on the rise in commodity prices; on the results of Taiwan's college admissions tests; and on New York Governor Eliot Spitzer's prostitution scandal. In terms of editorials and commentaries, an editorial in the pro-independence, English-language daily "Taiwan News" explained why the policy of a "cross-strait common market" proposed by KMT presidential candidate Ma Ying-jeou and his running mate Vincent Siew will allegedly put Taiwan in jeopardy and hurt the U.S.-Taiwan security relationship. The editorial urged the U.S. to welcome DPP presidential candidate Frank Hsieh's presidency for long-term security in the region. End summary.

"'Common Market' and Security"

The pro-independence, English-language daily "Taiwan News" [circulation: 20,000] editorialized (3/14):

"... the Ma-Siew call for a common market with our far larger and authoritarian neighbor will undoubtedly affect Taiwan's global economic links, international position and security relations with other nations, particularly our close ties with the United States and Japan.

"Indeed, Ma and Siew claim that signing such pacts with Beijing will remove the biggest political obstacle in the way of free trade agreements with the U.S., Japan or other nations and ease our entry into international organizations such as the World Bank, the International Monetary Fund, the World Bank and even the United Nations. ...

"Even more damaging will be the consequences of such integration on our high technology industries, which purchase or license the bulk of advanced technology and know-how from U.S. or Japanese firms.

"Closer association with the piracy-prone PRC market will spark deep concern among U.S. and Japanese high-technology providers about the security of their intellectual property and spark fears that know-how licensed to a Taiwan-based company will be passed on to a PRC partner and be used to compete against the original technology provider.

"In addition, the PRC is now subject to restrictions imposed by the United States, the European Union and Japan on arms or "dual use" technologies or high-technology equipment. Cross-strait economic integration could well result in the application of such restrictions to Taiwan. ...

"... an official 'cross-strait economic integration' agreement [is] more likely to give Beijing a pretext to declare that it should

"represent" Taiwan in negotiating or signing any FTAs [Free Trade Agreements] and that our 23 million people can be represented by the PRC in international organizations or at most be allotted a small subordinate presence as 'Taipei, China.' ...

"Since both Washington and Tokyo do not wish to see absorption of a substantively independent and democratic Taiwan into an authoritarian and "rising hegemonic" PRC, we believe that the U.S., Japan and other powers should welcome a Hsieh presidency."

YOUNG